



*United States Attorney
Southern District of New York*

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CONTACT: U.S. ATTORNEY'S OFFICE
HERBERT HADAD, MEGAN GAFFNEY
HEATHER TASKER, BRIDGET KELLY
PUBLIC INFORMATION OFFICE
(212) 637-2600

FBI
JAMES M. MARGOLIN,
MATTHEW BERTRON
(212) 384-2720, 2715

**CONNECTICUT MAN PLEADS GUILTY IN U.S. COURT
TO SELLING STOLEN MICROSOFT WINDOWS SOURCE CODE**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, and MARK J. MERSHON, the Assistant Director in Charge of the New York Office of the FBI, announced that WILLIAM P. GENOVESE, JR., a/k/a "illwill," a/k/a "xillwillx@yahoo.com," pled guilty today in Manhattan federal court before United States Magistrate Judge MICHAEL H. DOLINGER to the pending Indictment which charged him with the unlawful sale and attempted sale of the source code - the non-public and proprietary code in which software developers write programs - for the computer programs Microsoft Windows NT 4.0 and Windows 2000, which had previously been misappropriated by other individuals.

According to the Indictment and Criminal Complaint previously filed, on or about February 12, 2004, Microsoft

learned that significant portions of the source code for both Windows NT 4.0 and Windows 2000 - which Microsoft considers the "crown jewels" of the company - were misappropriated (the "Stolen Source Code") and unlawfully released onto, and distributed over, the Internet without its authorization. That same day, according to the Complaint and GENOVESE's statements in court, GENOVESE posted a message on his Web site, "illmob.org," which announced that he had obtained a copy of the Stolen Source Code and was offering it for sale. Access to a software program's source code can allow someone to replicate the program or find vulnerabilities.

As alleged in the Complaint, in February 2004, an investigator with an online security firm hired by Microsoft downloaded a copy of the Stolen Source Code from GENOVESE's site, after sending GENOVESE an electronic payment. Additionally, according to the Complaint, in July 2004, an undercover FBI agent also downloaded a copy of the Stolen Source Code from GENOVESE's site after the investigator had made another electronic payment to GENOVESE.

As alleged in the Complaint, in March 2003, GENOVESE was convicted of eavesdropping, in violation of Connecticut General Statutes, and was sentenced to two years' probation. That charge allegedly arose from GENOVESE's unauthorized access in or about 2000 to a number of victims' computers in Connecticut. According to the Complaint, GENOVESE accomplished

this unauthorized access by infecting the victims' computers with a type of virus that allowed him to remotely access the computers and then accessing the victims' computers, capturing their activities using keylogging software,¹ taking over control of the victims' computers, and sending instant messages to the victims telling them what he was doing.

The federal Indictment charged GENOVESE with one count of unlawfully distributing a trade secret, in violation of the Economic Espionage Act. The case is pending before United States District Judge WILLIAM H. PAULEY III, who will sentence GENOVESE likely sometime in the fall.

GENOVESE, 28, resides in Meriden, Connecticut. As a result of his plea, GENOVESE faces a maximum sentence of 10 years in prison and a fine of \$250,000 or twice the gross gain or loss resulting from the offense.

Mr. KELLEY praised the outstanding efforts of the Federal Bureau of Investigation's computer crimes squad. Mr. KELLEY also thanked Microsoft Corporation for its assistance in the investigation of this case.

Mr. KELLEY said the investigation is continuing.

Assistant United States Attorney ALEXANDER H. SOUTHWELL is in charge of the prosecution.

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¹ Keylogging software, also known as a keystroke logger, is a program or hardware device that captures every key depression on a computer.